

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of Requiring All Pay
Telephones to Comply with the Public
Utilities Commission's Coin Telephone Order

ISSUE DATE: May 6, 1988

DOCKET NO. P-999/C-87-145

ORDER CLARIFYING EARLIER ORDERS

PROCEDURAL HISTORY

On June 29, 1984, the Minnesota Public Utilities Commission (the Commission) issued its Findings of Fact, Conclusions of Law, and Order in In the Matter of the Complaint by Airport Systems, Inc., Tonka Tools, Inc. and Country Village Spur upon Refusal of Northwestern Bell Telephone Company to Allow Attachment of Customer-Owned Coin-Operated Telephones, Docket No. P-421/C-82-4645. That Order authorized competition in the coin telephone service market and established capability requirements for privately owned coin-operated telephones.

In a Report and Recommendation dated March 9, 1988, the Minnesota Department of Public Service (DPS or the Department) asked the Commission for a clarification of the application of the June 29, 1984 Order. The DPS recommended that the capability requirements for coin-operated telephones apply to non-coin operated pay telephones with one exception which is described below.

FINDINGS AND CONCLUSIONS

The issue before the Commission is whether the standards established in its June 29, 1984 and November 19, 1985 Orders apply to all pay telephones or whether they apply only to coin-operated pay telephones.

The Commission finds that non-coin operated pay telephones were not as prevalent in 1984 as they are today and were not specifically addressed in the Commission's June 29, 1984 Order. The Commission is aware of at least five types of non-coin pay telephones in use in Minnesota. They are: Telly Local Only Phones, Tablephones, WATSpone Suite Service, Advertising Phones, and Credit Card Phones. These phones and their service capabilities are described in the Department's

March 9, 1988 Report.

Minn. Stat. Section 237.01, subd. 2 (1986) provides:

"Telephone company," means and applies to any person, firm, association or any corporation, private or municipal, owning or operating any telephone line or telephone exchange for hire, wholly or partly within this state, or furnishing any telephone service to the public. (Emphasis supplied.)

The Commission finds that the owner of a non-coin pay telephone provides an integral part of a two-way voice communications service to the public and, thus, is a telephone company. The Commission concludes that the owners of non-coin pay telephones are telephone companies under Minn. Stat. Section 237.01, subd. 2 (1986). Therefore, owners of non-coin pay telephones are subject to the jurisdiction and supervision of the Commission pursuant to Minn. Stat. Section 237.02 (1986).

Minn. Stat. Section 237.06 (1986) requires all telephone companies to furnish reasonably adequate service at fair and reasonable rates. It is the duty of the Commission to protect the quality of those services and to ensure that they are provided at fair and reasonable rates.

The Commission fails to find any rational basis to distinguish between the service capabilities of coin operated pay telephones and non-coin operated pay telephones. The services themselves should not be affected by the user's method of payment. The Commission believes that different standards for different types of pay phones would lead to customer confusion. Customers should be able to expect the types of capabilities required in the Commission's June 29, 1984 Order regardless of the type of pay phone used. The Commission concludes that all pay phones must have the following capabilities and meet the following standards:

1. A maximum charge not to exceed the maximum which Northwestern Bell Telephone Company may charge for a local call (currently, that charge is \$.25); with exceptions for special locations, such as nursing homes, rooming houses, and government-owned or publicly-funded low income housing where the maximum charge is \$.10.
2. Users of the telephone must be able to reach the operator without charge and without use of a coin;

3. Users of the phone must be able to reach 911, where such service is available, without charge and without using a coin. If use of a dialing or operational sequence other than 911 is necessary, the required procedure for reaching 911 emergency service must be prominently displayed on the phone.
4. The phone must be compatible with hearing aids;
5. If mounted on a wall, the phone must be placed in accordance with height regulations for disabled persons. (UBC Section 511(d);
6. The phone must allow both local and long distance calls;
7. The phone may not limit the duration of a local call;
8. The following information must be displayed near the phone: the name of the owner of the phone; the procedures for reporting service difficulties; the method of obtaining customer refunds; and either a statement that the owner is charging the same or less than AT&T charges for similar long-distance calls; or the percentage by which the charge exceeds AT&T's charge:

$$\% = 100 \times \frac{(\text{Owner's charge to user}) - (\text{AT\&T's charge})}{(\text{AT\&T's charge})}$$

9. The telephone must be installed behind an FCC registered protective coupler if the equipment is not federally registered under Part 68 of the rules of the FCC; and
10. The telephone must provide access to all interexchange carriers which are available locally;

The Commission notes that in its November 19, 1985 Order in In the Matter of the Request of Northwestern Bell Telephone to Revise its Rates for Services Provided to Private Coin Telephone Operation, Docket No. P-421/M-84-673, the Commission clarified its standard regarding access to operator services. The Commission allowed private coin telephone operators to recover directory assistance charges from the public. The Commission concludes that all pay telephone operators should be allowed to do so and will so order.

The Commission will recognize an exception to the requirements listed above. A restaurant tablephone, a pay phone which is brought to the customer's table, will be exempt from the disclosure requirements above. The Commission believes that a notice on the phone telling the customer to report any service difficulties to the table attendant will serve the same purpose as the full disclosure notice required above and is adequate to protect the public.

The Commission must make specific findings regarding advertising phones. These telephones provide free calls but may require the customer to wait for a 20-second commercial advertisement before placing his call. The Commission finds that a 20-second delay is unreasonable and may be dangerous if a person is trying to reach 911 or other emergency services. The Commission will

require advertising phones to provide immediate access to 911 or other emergency services.

The Commission recognizes that there are additional pay phone issues that concern parties. The Commission will address them more fully at a later date. The Commission staff will review and report to the Commission within 30 days on the issues of coin telephone local exchange rates, the availability of public phones, their compliance with the Commission's standard, and the possibility of a rulemaking to address standard for pay phones.

ORDER

1. The capability requirements and standards established in the Commission's June 29, 1984 and November 19, 1985 Orders described above apply to all pay telephones; except restaurant table phones are exempt from the disclosure requirements. Restaurant tablephones must provide the notice described above.
2. Advertising phones must provide immediate access to 911 and other emergency services.
3. Each owner of a pay telephone, either coin-operated or non-coin-operated, must apply to the Commission for authority to provide such telephone service to the public on forms provided by the Commission for such purpose. (See Attachment)
4. The Department of Public Service shall enforce the terms of this Order pursuant to Minn. Stat. Section 237.02 (1986) and make recommendations for enforcement actions if they appear necessary.

5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)